UNITED STATES OF AMERICA UNITED STATES DEPARTMENT OF AGRICULTURE AGRICULTURAL MARKETING SERVICE FEDERAL GRAIN INSPECTION SERVICE

+ + + + +

GRAIN INSPECTION ADVISORY COMMITTEE (GIAC)
MEETING

+ + + + +

THURSDAY
DECEMBER 15, 2022

+ + + + +

The Advisory Committee met at the AMS National Grain Center, 10383 North Ambassador Drive, Kansas City, Missouri, at 8:30 a.m., Barbara Grove, Chairman, presiding.

PRESENT:

BARBARA GROVE, Chairperson, Central Valley Ag
ARTHUR NEAL, Deputy Administrator, Federal Grain
Inspection Service

- JANICE COOPER, Managing Director, Wheat Marketing
- CHRISTOPHER FREDERKING, General Manager, Zen-Noh Grain Corporation
- PHILIP GARCIA, Grain Inspection Program Manager,
 Washington State Department of Agriculture
 JOHN MORGAN, Supreme Rice, Crowley, Louisiana
 CURTIS ENGEL, Senior Vice President, The Scoular
 Company
- CHARLES BIRD, Senior Director of Product
 Management, Neogen Corporation
- ROBERT SINNER, President, North Dakota SB&B Foods, Incorporated
- JIMMY WILLIAMS, Secretary, Missouri Department of Agriculture

ALSO PRESENT:

BRIAN ADAM, USDA
ANUJ CHOPRA, ESQPLUS
NICHOLAS FRIANT, Vice Chair, Cargill, Incorporated
ANTHONY GOODEMAN, USDA
ED JHEE, USDA
BYRON REILLY, USDA
DR. KURT ROSENTRATER, Professor, Iowa State University
DENISE RUGGLES, USDA
PAUL VICINANZO, USAID

C-O-N-T-E-N-T-S

Call to Order4
Public Comments4
Discussion Recommendations5
Finalize Recommendations29
Discuss Agenda Items for Next Meeting31
Closing Remarks
Adjourn

(8:30 a.m.)

CHAIR GROVE: Good morning, everybody. Thank you for your patience as we got ourselves a little re-organized here to be able to do some editing and some business this morning. Again, thank you for everybody who is attending today, both in the live gallery and on our virtual gallery.

Much appreciated that you are here listening to what we are doing and working on and also to be able to possibly add to things that we may be looking for in the future and to think of again aspects that we as a Committee may not think of, so thank you again for coming.

Again, Committee, thank you for the work you did yesterday and last night in working on some of our industry issues and I think we will go ahead and call this to order. I will ask in the discussion that we had yesterday of our industry issues of destination, origin grade, variances, technology prioritizations.

Are there any public comments that somebody would like to add to us before we start so

that we may take into consideration for resolutions?

I don't see any in the chat in our virtual meeting attendees. Okay, if not, I think we're going to go ahead and discuss the resolutions that we worked on yesterday with the input again from everybody here within the group and people in the room, again, thank you.

And thank you to FGIS for helping us with a few of the regulatory and technological pieces on the backside to help us out. If we go ahead and let's put the first resolution up on the screen. And Nick is going to go ahead and read this for us. And this was over destination to origin grades variances with the thought that it may also tie into some of the technology piece.

So, that resolution has pieces in it. It may not seem relevant to this individually, but I think they tie us together.

MR. FRIANT: The GIAC Committee encourages FGIS have a continued communications with the Ag industry for consistency in grade standard application where concerns for origin to destination grade or weight variances may be observed. As part

of this approach, FGIS should continue engagement with Ag industry stakeholders for improved rail service, continued education and awareness of origin and destination request rights within the standard for re-inspection and sample retention.

the last 12 months between origin and destination official grades to compare results, engage product industry to encourage a consistent standardization of data for all SAAS technology software as a service for a future use of IT and data-driven technology efficiency within data efficiency, research data, security, privacy, and sanitization.

The findings should be reported at the next GIAC meeting for further discussion and recommendations.

CHAIR GROVE: Thank you, that was a good mouthful there. And, again, I think this resolution while looking at it as variances between agencies, variations between grades, we felt there was multiple factors. It wasn't necessarily about somebody doing something wrong on one end or another, that there were many things that could contribute to this.

NEAL R. GROSS
COURT REPORTERS AND TRANSCRIBERS
1716 14th STREET, N.W., SUITE 200
WASHINGTON, D.C. 20009-4309

The first one again, time in transit, was

discussed yesterday. A continued engagement as

Arthur, you updated us to yesterday, in continued

talks and FGIS being a part of those talks is still

very important to help with concerns out of this

committee continue to be heard, time in transit if

rail service improves, may take that piece out of the

issue.

continued education Again, and

awareness. Tony brought up some things yesterday

that could be done. Again, sample retention time,

asking for an extended retention time for us to

possibly get data in comparison and re-inspection

between the grades on the front side and on the back

side and see where those are.

Again, it could be machine factors such

as moisture, things that are considered subjective

factors like an odor, everybody has a different

sensitivity, is it the time in transit or is it just

the recognition. Items such as color, can that reach

back to the technology piece or is it a training

piece.

Then we did also feel because it didn't

NEAL R. GROSS COURT REPORTERS AND TRANSCRIBERS

WASHINGTON, D.C. 20009-4309

come with the issue yesterday, look at the true data between origin and destination. Does FGIS have that ability to look at I'll say individual and want to call them lots or a unit train on one end versus a unit train on one end or a barge on one end to where it is to destination so we can get a true feel on how often this is happening. Is it particular areas so we can bring down that focus?

And then the last had to do with as, you know, Chris talked about, efficiency sometime getting that information in a quicker manner, more efficient for both loading, unloading. continue to encourage and how can we use shared data from our contracts or your service companies that we standardized that flow of information can considering, as Curt brought up yesterday, keeping that security piece in mind, how can official agency and either loader, unloader, the technology and the data talk to each other so that we have a more efficient and more timely view.

Any thoughts from the Committee? Again, this was late yesterday evening in kind of going back and forth and putting this together now that we're

NEAL R. GROSS
COURT REPORTERS AND TRANSCRIBERS
1716 14th STREET, N.W., SUITE 200
WASHINGTON, D.C. 20009-4309

looking at it again and we hear it in the daytime.

DR. ROSENTRATER: Just a quick question, maybe clarification, the last bullet point, what is product industry? Maybe we could think about adding some more clarity to that statement.

CHAIR GROVE: I would agree to that.

That needs some clarification, product industry,
whether it is a testing service, equipment programs,
how they communicate.

Do you have a suggestion?

MR. SINNER: Barb, maybe just remove the word product.

MR. FRIANT: Does that clarify it? What I think I heard was I feel like we need, for example added, for example --

MR. SINNER: Yeah, I agree.

MR. FRIANT: -- equipment, suppliers.

CHAIR GROVE: Manufacturer, sorry, manufacturer of, either of equipment or technology equipment, yeah, there we go.

MS. NEAL: So, you're really talking about technology, you know, those technology platforms that could help us communicate results to

the customers? This is just a question.

CHAIR GROVE: Yes.

MS. NEAL: Are you talking about all of it? Equipment, I mean, that's fine, equipment, manufacturer's technology platforms and the like, that's all fine. I just want to make sure we got clarity. Is that what you're all thinking of?

CHAIR GROVE: I also think of ways to unify the communication between programs, yes, not just machines but also the data stream, yes.

MR. SINNER: Barb, I'm trying to get my head around the first part and whether we're encouraging and FGIS to be I guess proactive or reactive? Are we asking them to --

CHAIR GROVE: Well, first is you consider it, since it's been turned in and as issue, it first starts as reactive and we do want it to be a proactive approach to reaching out but two different stakeholders, so yes.

MR. SINNER: And that was my question.

Is this intended to be in a proactive way we're asking

FGIS to improve their communications to the industry?

CHAIR GROVE: Yes, improving

communication and I think again it ties back to where we're going to have a technology section. Again, this does tie in with that and some of those recommendations, so maybe as we switch over, we might come back to this one. But, yes, we would like FGIS to be communicative with the different stakeholders and/or manufacturers that we are using for inspection or the possibility of using, as Curt pointed out, we do need to look a little into the future into the fact of what it's going to do.

So, Bob, where do you see a change in wording for this?

MR. SINNER: Well, I do think that that, sorry, I do think that that first sentence or that first paragraph needs some work to bring a little more clarity. I think what we're asking is FGIS, and if we're asking them to be proactive, I think we're asking them to engage of the industry to discuss variances and grade standards between origin and destination.

That may occur, right? Because we're learning that there has been some issues and I think that's, I think it could be re-worded a little bit.

As long as I'm clear that's what we want, and I think that's what we want, right?

CHAIR GROVE: Yes, that is what we want.

MR. MORGAN: I would say vanity great standards; it's just a variance in the grades from origin to destination.

MR. SINNER: Just a difference in results.

MR. MORGAN: Difference in results, perfect.

CHAIR GROVE: Correct, it's not disputing the standard in itself.

MR. MORGAN: Correct.

CHAIR GROVE: But maybe the application to the results.

MR. ENGEL: Madam Chairman, I'm not sure that it's even disputing the grades. It's just there's a difference and where does the difference come from. I'd love to see a heat map of where this occurs.

CHAIR GROVE: Do you feel in bullet point number three that talks about what you're asking, let's see that map of where this occurs, so, looking

at the data within at least the last 12 months?

MR. ENGEL: Yes,

CHAIR GROVE: Do you feel that covers

that?

MR. ENGEL: Well, I mean, it's having on some set of origins and at some set of destinations.

CHAIR GROVE: Right. Okay, do you feel there's -- okay, thank you.

MR. ENGEL: Does that make sense?

CHAIR GROVE: Yes, uh-huh.

John, can I go back, go back to you and --

MR. ENGEL: Excuse me, one other thing.

And it's some set of products, it's likely more skewed towards, and I'm going to make things up, but milo and wheat as opposed to corn and soybeans.

CHAIR GROVE: You made a statement and I don't feel I heard it, all of which we're talking about to make sure we --

MR. MORGAN: Yeah, I think these guys back me up. It's basically a difference in results from, in grades from origin to destination. And the grade may not be, like you said, the grade may stay

at two but there may be some factors involved that affect contracts.

CHAIR GROVE: So, do you feel the confusion is, for consistence in grade standard application?

MR. MORGAN: Correct, I don't think we're saying that we think that the origin grader and the decimation grade are applying the standards differently. I think they're just coming up with different results.

MR. FRIANT: Okay, so if we strike what I have highlighted, does that get to what you're saying?

MR. MORGAN: I think it should say consistency in grading results.

MR. FRIANT: Do you want to say inspection results, because grades doesn't include --

CHAIR GROVE: Yeah, grade --

MR. FRIANT: So, grade is a specific, you know, term and might make the inspection results what you may want.

MR. MORGAN: And now I would say

inspection results between the origin and destination grading agencies or however you want to put that. There may not be a certificate involved.

MR. SINNER: Why don't you just call it the origin decimation inspection results and appearances might be observed. Just drop grade out. Origin to decimation inspection results where you have grade. Getting there Nick, you type like me.

MR. SINNER: That's a lot better.

CHAIR GROVE: From the first half of the line to the second is a duplicate.

MR. SINNER: The question is whether we put consistency inspection results after we address the origin of destination. In other words, continue communication Ag industry over concerns with, maybe it's okay the way it is.

MR. FRIANT: Even though in front of inspection, why don't we put official inspection so it's very clear that it's officially --

MR. SINNER: Huh? Both of them.

MR. FRIANT: Yeah, and weight, but I think inspection results or weight, official -- yeah, for both of them. That too, yeah.

MR. GARCIA: You know what, you're right, results or official weight variances. There you go, thank you.

MR. FRIANT: I would suggest maybe the very first line striking the word A because of the plural of communications.

MR. SINNER: Also strike the word committee, so I think C and GASC is committee.

MR. NEAL: I have a question for the first bullet point. Are you meaning that we should engage with the industry for improved rail service or improved rail inspection, grain inspection service that's occurring, you know, for rail loading.

CHAIR GROVE: In discussion yesterday, one of the variables that was discussed as the possibility for variances was transit time. Could that be contributing to some of the variations that we're seeing. It could, so until you start ruling some things out and seeing where it is, so I think it's, the feeling, you know, we have a resolution in play from last, our last meeting and there are continued meetings, I know, that FGIS is a part of about rail service.

So, while that isn't about a variation of grades per se, could it be a contributing factor?

So, if we continue to engage to improve rail service, could this be a factor that takes out some degradation of the grain between origin and destination. Could that be what's happening?

MR. GARCIA: So, maybe instead of improved, maybe educate the rail?

MR. NEAL: I think from what I'm hearing, you're wanting us to, and I'm going to ask Lee to come up because I'm not quite sure some of this data even exists. But you want us to assess whether or not rail delays have any impact on grade result variation from destination, from origin to destination, that's what I'm hearing. And I'm going to ask Lee to just kind of speak to some of the data elements captured in this particular recommendation as currently drafted.

MR. CAPPER: Lee Capper at Chariots, thank you.

So, some things to consider in our processes, we deal with the products in front of us. We deal with and provide an official result for that

product. As was stated yesterday, once it's left, we're no longer linking that result to a future result in our current processes or strings.

Those in the industry who seal that railcar and then move it know it wasn't opened, have it re-inspected, you know it's the same grain, but we don't. So, we don't currently have data elements that establish links but it's part of our request for service between origin and destination to easily draw a report. The way we would work to do that would be to use carrier identification where we would have it.

But in that, we use our visual documentation of deserving the carrier to document it and as you can all appreciate, railcars, containers, are often multiply marked or marked different on different sides. I heard last week, a barge was complained about for having a B at the end of the letter, and yet that's what our person deserved. You know, is it the correct document with a B or without a B.

So, there's some challenges around what these data standards that are being recommended.

Improving carrier identification consistency, do you

NEAL R. GROSS
COURT REPORTERS AND TRANSCRIBERS
1716 14th STREET, N.W., SUITE 200
WASHINGTON, D.C. 20009-4309

want FGIS to establish a mechanism for having a link

between an origin and destination grade, where the

destination receiver provides some type of

information to the provider about the previous or

previous inspection.

But there are some, there are some

challenges in producing this kind of heat map, I do

see the value in it. I would offer that the

inspection data warehouse which is part of our FGIS

online portfolio captures all the official inspection

results and those results are available to the

customers at their request and all interested parties

of that customer.

And so, there is data available even

today to those parties to come get their results and

work with their partners to, you know, examine

specific results about specific clots that would be

certified.

MR. NEAL: So, you all, to continue to

move forward, you know, crafting your recommendation,

and we will evaluate ability to do what you recommend

and update accordingly at the next meeting.

CHAIR GROVE: So, in looking at point

number three in providing statistics, does that, I'll say, does point number two tie into a little bit about the awareness of what is available. Yesterday, again, a few items were listed or, you know, were mentioned about the ability to ask for a different sample retention.

So, also you would have data, it would be the request for you to pull that data or tie it tougher. Do those two points in a sense go together? If we knew more about the rights of what we have available to us, would that help to pull that data together? I don't think in general people know some of this is available to them. How do we help with that?

MR. CAPPER: Yeah, so the re-inspection result, the appeal result, the Board appeal result, you have rights to three levels of review for most USGSI inspections. Those results are all linked together, available for review. And again, it would then be the party that knows the lot that was inspected on destination has that data sting available to them for doing that comparison and has the personal knowledge that the identity matches to

NEAL R. GROSS
COURT REPORTERS AND TRANSCRIBERS
1716 14th STREET, N.W., SUITE 200
WASHINGTON, D.C. 20009-4309

that other certificate.

A word of caution, though, some of our domestic movements, there is multiple inspection plans available to you, so there's a lot of composite sampling that goes on and so railcar numbers might be part of a set of railcars in this particular data packet and so depending on the nature of what the inspection, of how the inspection was performed, there may or may not be an easy data string that particularly relates to an individual car or an individual container.

MR. NEAL: And correct me if I'm wrong, Lee and Tony and Andy, typically in a situation like this, if we become aware of it, it's because someone has said that, hey, we have a shipment that's coming from, you know, from Missouri and tested XYZ at origin but is testing, you know, LMNOP at destination, you know. We have to have, I think we have to have the input from the customer to tie everything together for us to even know what's going on because that's a lot of data moving across, you know, a lot of grain moving across the country and a lot of data associated with it.

NEAL R. GROSS
COURT REPORTERS AND TRANSCRIBERS
1716 14th STREET, N.W., SUITE 200
WASHINGTON, D.C. 20009-4309

We're not going to know that that problem's occurring between origin and destination without a customer raising it as a concern; is that correct?

MR. CAPPER: Yeah, I mean, that's correct. We're getting, you know, on average, five to 10 thousand transmissions of data to us a day. I know we do five plus million inspections a year, so we're happy to facilitate what we can, but without a change to a data standard, to more actively link this type of data, it's going to be challenging going forward even.

MR. NEAL: Could you identify at least the re-inspection and I guess, what do we call it, re-inspection or appeals, can you identify if it's a re-inspection or appeal at least?

MR. CAPPER: Yes, we have inspection appeals separately noted and they're directly linked to the original results.

MR. NEAL: I think that's, at least you start with, if we understand at least how many reinspection appeals are being asked for.

CHAIR GROVE: How much of that

information is proprietary versus available for us to review in an aggregate form?

MR. CAPPER: It's not currently published in an aggregate form aside from our total quantities which we publish in the annual report and are now updating quarterly where we advertise the number of re-inspections appeals and Board appeals in aggregate that were conducted. But I think we're talking specifically about particular modes of conveyance here and so right now it's not publicly released.

CHAIR GROVE: Tony, if you would go ahead.

MR. GOODEMAN: Thanks. Can you hear me?

So, just a couple examples. Like if you loaded a train at Central Valley in Iowa and then sent it out to Calaman (phonetic), for example, eight days later, we have the carrier IDs and we can look in our system to say, okay, car ABC123 was loaded in in Iowa and then eight days later it shows up in Calaman, was officially inspected, ABC123, that's kind of an easy example, it's probably a fair inference, it's probably the same car. We don't

know, it could have been dumped and reloaded, it could have been.

Also, like Lee was talking about a lot of our customers will request five-car composites or maybe some type of average composite grading at origin, and that might not, might have a certificate for five cars, you have a certificate for, if you combine them together, for 100 cars. So, when it gets to the destination, it depends on how it's inspected there, too.

So, it might be a little bit more challenging to search in our system and that's even on the easier cases. So, what we might end up with, if you just said okay, we're only going to find, you know, single car lots or single barges that were done within, you know, 10 or 20-days, something like that, it might be a pretty narrow set of results that you had actual official inspection at origin, official inspection destination of those single cars.

And so, I wouldn't, you know, I don't know if that would be a good representation of what's going on or not, I don't know. On the barge side, kind of the same thing. It depends how much of a gap

in time there is and how much that might factor in, you know, if you did a barge that was loaded in Illinois and then sent down to, you know, Convent, you know, 20-days apart or whatever it is. May be a fair assumption, but again, we don't know.

What if there's 40-days between loading and, when I say loading, the origin grade and the destination grade. Is it even the same barge, that's the piece where the data that we have isn't perfect, because it doesn't say, okay, this barge was never unloaded again. It might be a piece where the industry could provide some insight.

Because those might be the most important ones that we want to look at, too, the ones where there is a gap of time. So, just kind of echoing what Lee was saying.

MR. FRIANT: I can find some information but I don't know if it's going to be exactly a bullseye of what we're looking for.

MR. NEAL: So, for the purposes of the work that's before you, I just want to make sure that you understood that right now the data is not necessarily crystal clear. You can continue moving

forward, we just will probably have to evaluate the recommendation, you know, see what's possible. It may be future work that we'll have to continue to do

MR. FRIANT: And ask you think about bullet point four to what Tony spoke to, many of these initial results that get average star on paper, and don't turn into electronic until post-averaging, so if there is a feeling that we should be more focused on ensuring we have electronic capture of every sample and the ability to do comparisons between those samples, maybe that's something to consider.

CHAIR GROVE: So, Nick and Committee, I think taking into account again right now, we don't know what data is available or again how it can be found if in changing this or updating this into, isn't necessarily we want data provided at this time or at our next meeting, but in, research isn't the correct word because research always thinks, you know, you're huffing to go out and, you know --

MR. NEAL: Evaluate the ability.

CHAIR GROVE: Yes, evaluate the ability, thank you. Sort of evaluate the ability to provide

on this item.

this, to find this data.

MR. FRIANT: Does that read better?

MR. SINNER: Madam Chairman, I think that gets it because to Tony's point, this is going to be dealing with exceptions, masses of information.

MR. ENGEL: I also think we need to fix this last sentence here. I believe the intention is to ensure that security, privacy, and sanitation are taken into account when looking at the data efficiency.

CHAIR GROVE: Yes, I think the beginning of the sentence isn't a good tie-in.

MR. FRIANT: So, is it more about within that efficiency ensure that security, privacy, and sanitization --

CHAIR GROVE: I think because, you know, definitely as we talked yesterday, and as Lee just mentioned right now, it's a paper copy, not necessary in the system, but isn't necessary just on the FGIS side or an official side because our industry organizations also have their own sets of security that they may be saying, no, we don't want to allow that data flow.

But I think, again, looking at what is that we could start looking at or even those technology, some people that are way better at technology, and Lee, I had to call somebody for some terms last night. I'm like, it's in my head, help me, give me some terms. There's other people that know better of what we're trying to do.

And if that's engaging talks with that group of people, that IT internet security groups within FGIS and also some industry stakeholders, what would that take, what would that entail? Would that be a beneficial piece to that last, what would be all need to do to be able to have this communication more efficiently.

As again, as Lee just stated, until possibly that retention period is up, we won't have those electronic records. If you want to state that again, what you said, sometimes again between the origin and destination, we don't necessarily have that electronic record until the end is offloaded, right?

MR. CAPPER: In many cases currently, there's not an electronic record at all is what I was

NEAL R. GROSS
COURT REPORTERS AND TRANSCRIBERS
1716 14th STREET, N.W., SUITE 200
WASHINGTON, D.C. 20009-4309

trying to say. So, there might be 20 paper pan tickets put in front of an inspector who uses a calculator to mathematically obtain the average result and then that average set of results becomes the electronic record.

But the individual railcar D would never have an electronic, currently an electronic data string with a specific set of results. I guess I would offer, since we've spent so much energy on this topic this morning, is it worthwhile to consider some type of further Committee discussion on our current data standards, future data standards, other needs in the space in a formal setting.

CHAIR GROVE: And instead of addressing it here, it may tie back to again the next resolution as part of the entire technology piece.

MR. NEAL: The world is bigger, so I could interpret this a couple of ways based on conversations having been held here yesterday and today. In the context of this particular recommendation, we're talking about origin and destination. In some context from yesterday, we're talking about service that FGIS provides directly to

customers. FGIS, our own personnel. In this aspect, though the recommendation is crafted as talking about the entire official system.

So, we're talking about all of our official agencies in addition. So, this conversation is extremely extensive and will have to extend far beyond just FGIS but will have to engage official agencies because baseline expectations, baseline needs will have to be established, I believe, for us to even probably get to a point where we can do this.

And that's what Lee's talking about, data standards, because every official agency, they don't operate the same. They don't have the same capacities. And so, that has to be taken into consideration as well.

MR. FRIANT: So, to that point, Arthur, I think what I'm hearing is a good agenda item for the next Committee meeting would be something around data standards, what they are, what they should be, what gaps there are. And I think probably, Lee, I would leave it to your discretion on what, I would see you as being the person to talk about that and somewhat to your discretion on what that type of

presentation and who would be included in that.

MR. CAPPER: Yeah, that sounds appropriate and what the necessary pre-work with the Committee to work that out.

CHAIR GROVE: So, would we suggest leaving this here as it is something for you to start discussing internally for a future agenda item knowing that we're bringing it into the stream already but the greater discussion would be you bringing something to the next meeting as part of the agenda.

MR. NEAL: So, from my perspective looking at it as crafted, because you've got multiple recommendations within this one recommendation, I think the GIAC will have to acknowledge the fact that this is a long-term type of recommendation, it's not going to be addressed fully within, you know, a year even.

This is going to be a process on many fronts; it's going to engage a number of stakeholders; it's a long-term goal that's set before us. And that's, you know, the type of work we're supposed to be doing. I've got no issue with that.

Just, you know, I think open and, you know, frank dialog around the issues, what we have to make sure we all have the proper perspective around the recommendation as it's being made.

CHAIR GROVE: In this room, I think we can probably acknowledge that we understand this is long-term as this will be a public document. It will need clarification to add this is for future long-I want to make, you know, as a public document, for people to read into this, do we need to clarify this isn't something we are expecting back. Because we talk about the very last line, to provide it back meeting, that's not at the next what we're necessarily, but again, possibly reporting on where we're at.

MR. FRIANT: We just simply change it to subsequent GIAC meetings from the next, does that help, we recognize it won't just be the next meeting, it could be the next 18 meetings.

MR. NEAL: I'll be honest with you, you can delete the last line and it would be fine.

Because you know we're going to update every meeting anyway and it establishes the recommendation as a

goal.

MR. SINNER: Madam Chair, just a point of clarification on the first bullet on the first bullet. Should that really be related to transit time rather than service? Because we're talking about a variance in origin versus destination. And so, maybe it just simply states continue engagement with Ag industry stakeholders for improved transit times. Because we're talking about rail and barge.

CHAIR GROVE: Correct. Apologize, too, and that is something Chris brought up yesterday that they're seeing it on barges also, so yeah, I think that is a good recommendation.

MR. FRIANT: On the second bullet, reinspection probably should be considered as review inspection, the review inspections include a reinspection appeal board, you know.

CHAIR GROVE: I think we've made a lot of good changes in here and again with the idea that we know the goal is about the long term results. It's not going to be an immediate result, something we can continue working on. I do feel comfortable with where this is at.

Any other?

All right, Nick, would you hit save?

All right, do we have a motion to accept

it?

MR. FRIANT: Second.

CHAIR GROVE: Say any nays?

All right, thank you. Thank you for the work on this this morning.

Nick, if you could go ahead and bring up our next one. All right, will you go ahead and read this for us?

FRIANT: GTAC endorses MR. recent progress by FGIS to establish a process for evaluating and certifying new technologies for use in the official grain grading system. GIAC encourages FGIS to develop an organized approach for identifying the appropriate technologies. In consideration of the need and efficiency for new technology, FGIS should survey FGIS and official agency personnel to identify priority issues, communicate with grain industry stakeholders to invite feedback, engage other industries and government agencies to learn how technology is being deployed to address challenges

that may have relevance to grain grading. The findings should be reported at the next GIAC meeting for further discussion and recommendations.

CHAIR GROVE: To pick up one of the comments from the last resolution, maybe instead of official grain grading system, official inspections system?

MR. FRIANT: This is nit-picky, but should it the GIAC endorses --

CHAIR GROVE: Sure.

MR. FRIANT: Endorses the GIAC?

DR. ROSENTRATER: I'm curious, should we not just state in the third line down, identifying but maybe implementing or something along those lines so that it's not just here's the laundry list of technologies but it would be more proactive in moving forward. You know, whether it's implementing or a different synonym, perhaps we should say identifying and, I'm not sure of the right word, but maybe implementing is the right word.

MR. ENGEL: Kurt, is your point about identifying what's possible and then what's practical or what's doable?

DR. ROSENTRATER: Yeah.

CHAIR GROVE: Restate that. Are you wanting it re-worded or just to --

MR. ENGEL: My question was whether about identifying and then implementing was the basis of this comment about identifying everything is possible but then the implementation piece being what is practically, what's doable so to speak.

MR. NEAL: You don't think appropriate addresses that, or is there another legal term for it that I'm not aware of, which is quite possible.

CHAIR GROVE: Can you restate that?

MR. NEAL: I said it doesn't appropriately address that, what's practical and doable.

MR. FRIANT: Yeah, I think so.

 $\label{eq:CHAIR GROVE: I was catching up to where $$it$ was.$

MR. NEAL: And just one comment on the first bullet point. I would suggest we use collaborate instead of survey, collaborate with because survey will require us to go through O&B approval to do a survey.

MR. FRIANT: And I know sometimes we get hung up on words. Is official agency the right term to use here?

MR. FRIANT: Or official personnel.

DR. ROSENTRATER: I'm just curious, what's the difference between official agency personnel and just regular agency personnel?

MR. NEAL: The way that it is currently crafted, they have FGIS personnel and then official agency personnel, which would be those agencies that provide service under a designation or delegation.

MR. GARCIA: What's their reason they put organized approach, is organized, does that need to be there? It's confusing, because what's the difference? It seems a little too descriptive.

CHAIR GROVE: Unorganized?

MR. GARCIA: Well, just say, just approach, because I think organized is not setting them up for success. It's too much interpretation, I think.

MR. ENGEL: Should we replace that with prioritized rather than organized?

CHAIR GROVE: I use that term because

Arthur actually used that specific term that what he saw was needed was an organized approach and that meant something to him, so I was reflecting that statement.

MR. NEAL: And just for clarity, and I understand where it's coming from and it, because there are many commodities, many options, many equipment manufacturers, many technologies that exist, we have to have a strategy for even identifying how to address some of the possibilities because we can be all over the place trying to find a way to modernize and become more efficient in leveraging technology.

And so, I think an organized approach is encompassing that work, developing a strategy, you know, that we can agree around to attempt this progressive movement. I don't have an issue with it one way or the other. I understand where you're all coming from.

MR. GARCIA: Well, I think I'd feel more comfortable with a strategic approach because I think unorganized is a little too open-ended for interpretation. I might be going in the woods, but

I think strategic sounds better than organized.

CHAIR GROVE: How about develop a strategy?

MR. GARCIA: That works, good.

CHAIR GROVE: Thank you for those; that's always a term, it's like we're not just out here, we want to know what is our goal. Because if you don't have that goal what you're reaching for, then you aren't being organized in your approach. So, we'd like to develop that strategy ahead of time, what do we want out of this.

DR. ROSENTRATER: I'm curious about the fourth sentence, first paragraph. In consideration of the need and efficiency for new technology, I'm getting hung up on efficiency for new technology. I think maybe we need more clarity.

What does that really mean?

CHAIR GROVE: More moving where the and is in consideration of the need for, the need for technology for efficient, I mean, if it's moved out of that spot, you're right. You would assume technology is part of efficient, so I think we're looking at efficiency or technology to make us

efficient.

MR. SINNER: So, personally, I added that

myself and I thought it clarified that we need to

collaborate, communicate with stakeholders and

understand, number one, the need by collaborating

with our personnel. But also we need to understand

the efficiency of that new technology, is it going to

be feasible? Is it going to do what we need it to

do?

DR. ROSENTRATER: Maybe we could say in

consideration of the need for new and more efficient

technology or something like that.

CHAIR GROVE: And, Arthur, I certainly

understand that that last sentence is probably also

not needed but what that was meant to convey is that

we really want to see this move along as quickly as

possible, so we're asking for some progress to be

made by the next meeting and we know you always report

back very thoroughly, but there was an intent for

including that last sentence. While this may be a

long-term strategy, an urgency is felt for more

immediate results.

MR. SINNER: Madam Chair, I thought the

NEAL R. GROSS

discussion yesterday was really good on this topic and I think this resolution is really good, well done, certainly by the three people that were involved in this. I'll move to adopt this resolution.

DR. ROSENTRATER: I second.

CHAIR GROVE: All right, do I hear any need for further discussion or nays in this?

All right, I feel we have a resolution that's passed. Thank you, Robert.

So, we made good work of this this morning, thank you for the discussion. Again, thank you to the subcommittee who worked on the technologies piece. Again, the fact that you brought with you a wide array, you already engaged many parts of the industry for thought, so that is very important.

With that, we are scheduled to have a break in between this next section, but I think to expedite and move on to looking at discussing items for our next meeting. And we would also engage the public and our FGIS group to feel free to offer recommendations for agenda items for the next meeting.

Obviously, technologies will continue to be on there, the destination versus origin grades as an update, within your updates piece doesn't necessary need to be a new with an active resolution is always part of updates, doesn't need to be a new agenda item, correct. Because that's already an active, will be an active resolution so can be discussed at any time?

I would suggest for, well, and MR. NEAL: the agenda will be, is a live document, so you'll all be discussing this before the next meeting anyway. So, yeah, that's fine, we'll clarify. We'll probably end up adding it on the agenda, it should probably be on there for us to have the discussions, and if anything is going to come out of it recommendation, to be added on to what you've already done, it will already be there.

I think the data standards is a component that's connected to it but is very specific and Tom would have to be dedicated just to that, yeah.

CHAIR GROVE: And I do think the subcommittee, technology's group, had discussed yesterday that you would like to keep technologies as

an ongoing agenda item, so thank you for that recommendation yesterday. Adding, again, the data standards definitely is an agenda item and I do think -- go ahead.

MR. VICINANZO: Paul Vicinanzo with USAID. We are a government agency that exports many of the commodities that are talked about in this organization. One of the issues that we've been having over the last several years is the container, quality of containers in the four exports in the And FGIS does perform container supply chain. reviews for our programs. We've continued to have problems with those containers. For example, they will do a container exam at a marine terminal for us and then when that box is brought to the load facility, we have a surveyor oversee the loading and quality of the container.

And I would say 25 up to sometimes 40 percent of those containers are rejected at the door, due to poor quality. And we're specifically using 20-footers, and we realize that's a more difficult part of the fleet, the container fleets, than the 40's, but we are having large inequities I guess

between when it's originally surveyed and by the time it's actually loaded.

And we'd like to see if we could sit down and understand the surveying process that's performed now. And we feel that it's a little bit to the, you know, the process is a little bit too subjective, we'd want to probably tighten it up. As well, we would consider or we would ask that it be considered that a food grade criteria actually be codified, which today, when you ask a carrier, Amerisc and MSC or whomever your ocean carrier is, they all have their own criteria as to how they define food grade containers.

We would consider defining that for our own purposes, not let individual entities do that, because we get different products when we do that.

The second concern that we have seen over the last couple of years is the fumigation. Because of the poor quality containers and various other reasons, fumigation has not been as effective in our programs. And our programs tend to be a little bit longer in the supply chain period than your commercial.

We're going to, not necessarily, but oftentimes more difficult locations or further locations which include oftentimes inlands in more difficult places. And we're having infestation problems due to the, we would say, you know, possibly unprepared commodity container fumigation, all that protocol.

So, we would also ask that, we've done and looked in our own system and we are upgrading our fumigation protocols, but we would ask that then that be conveyed into the FGIS fumigation handbook. So, we'd like to bring that up as well, all right?

CHAIR GROVE: Any questions for this recommendation?

I do thank you for the detail onto helping us understand that issue that you are having as part of the trade in our industry.

MR. MORGAN: Is it a similar procedure FGIS uses for approving --

MR. CHOPRA: Yes, contract to the USID. Yes, that's FGIS Document 9180, which looks at all modes of transportation and Identifies them and has the requirements, this was last revised in 2009.

That's the document we referring to containers, just one page of that booklet, but it looks at all modes of transport. And as correctly mentioned, it is very subjective, so two people could have completely different opinions reading the same booklet, depending whether they were coming from.

So, to be good to make it more objective, transparent, and easily visible so that the supply chain can move, the goods can move and quality can be maintained. Thank you.

MS. COOPER: I think we talked about putting the quorum issue on the agenda for next time. And just to understand maybe some of the options that are before us, we have a 15-member committee currently. Our rules are two-thirds of the 15, whether or not we have 15 members appointed. So, it seems to me that we, and please let us know what those options are, but it seems like we could look at two-thirds of appointed members or a simple majority or, you know, I think there are multiple options.

But clearly, that two-thirds of the full 15 has caused us challenges in the, in the recent past, especially with a delay in making appointments

that is being encountered. So, let's put that on the agenda and maybe we can flush out what options we have before the meeting.

CHAIR GROVE: Thank you, and it took me second for my brain to connect to quorum, because I kept thinking, what, corn issue.

MR. FRIANT: Arthur, for the next meeting, let me back up a second, we heard from Denise yesterday that the annual fee review and a more in depth fee review in the next calendar year. Do we need to have a specific agenda item to get a more in depth review and explanation to this committee of, you know, maybe first of all, just what the process is annually. Because I suspect we've got a lot of members on the committee that aren't familiar with that process.

And then depending on where the progress is with, assuming the annual review is a somewhat more in depth review, do we need to have that as a specific agenda item to basically go over that review with this group, or is it taken for granted that that will be part of the FGIS updates.

MR. NEAL: So, I think we can walk

through the process, we can put that -- we can plan for that. Depending on where we are with the more in depth review in-house, we'll determine what we can share here. So, the objective is once we get our internal reviews conducted, we'll start engaging with industry around the more in depth review.

It may be before the meeting, it could be, you know, we can start the conversation at the meeting, maybe after the meeting. It just depends on the timeline. So, I think for us, what we'll do is just make sure that we have a budget discussion, a to be prepared, just walking you through how the fee review is conducted and the like.

And then we can update you on status and if we're at a point where we can kind of talk about the more in depth review, we'll make sure we're prepared to do that. And if we're not, we'll let you know that then.

MS. COOPER: We'd also like to request that you explore the options for a different venue for the next meeting. Specifically, we'd be very interested in going to the Louisiana Gulf so that we could also include a tour of export facilities there.

We understand there are many challenges because of

the high bred requirement, the budget restraint, the

charter renewal is a potential issue if you can't

work on these items during that until the charter is

renewed.

But we just wanted to request that

there'd be a lot of value to the committee to seeing

something like that instead of just this room. So,

we'd like you to at least take a look at that.

MR. FRIANT: And, Janice, I appreciate

you bringing that up and I would add onto that that

it's pretty customary for NGFA and NAGA and FGIS to

hold an industry workshop in the May timeframe in New

Orleans. And so, I would suggest that that might be

a good time to holding the meeting in conjunction

because, A, staff will be there quite commonly for

that meeting, it will have other industry

stakeholders that will be there and then it also does

give us that chance, as you mentioned, to get a

facility tour and help some folks understand more

about the industry in general.

MR. SINNER: Excellent idea.

CHAIR GROVE: Obviously, today does not

NEAL R. GROSS

33 WASHINGTON, D.C. 20009-4309

limit what agenda items that we have. We take them in consideration roughly up until a little before a month before the meeting, so we have that timeframe. But we've got a good start and I will go ahead and open the floor back up to you.

MS. CHOPRA: On ESG plus, we thought two issues may be worthwhile bringing up. One is methyl bromide, fumigation with methyl bromide. As you may know, the Montreal protocol banned the use of methyl bromide due to greenhouse gas emissions and the challenges with it. USDA has a program on this and basically the summer after 2005, it was to be completely phased out.

It's unfortunate that it's been given use today in the industry and maybe it's for FGIS to ensure that they do not give approvals or whenever they become aware this methyl bromide usage for fumigation, that it is, you know, it's stopped. Because it is, our assessment is in the field that it's rampantly being used and not being reported, documented.

Two sides to it, one, it's sort of ineffective for food cargos, or food cargos

especially because of high dense organic material, it does not penetrate. And second, of course, the effect it has as a greenhouse gas. It's rated at somewhere about 150 times more potent than carbon dioxide. So, its impact is huge compared to the volume it gets used.

The second thing we thought we would use is, you know, all of you use fumigators who are carrying out instructions and carrying out the fumigation as per your requirement. However, that licensing of fumigators is still a gray area where a lot of them are unqualified or do not have the knowledge and experience and requirements to do that.

It may be something for your group to consider having some sort of guidelines in that place, either with them, the FGIS group, or as an intergroup or interagency. Something to be considered for your working group. Thank you.

CHAIR GROVE: All right, thank you for that addition and to look into that.

MR. WILLIAMS: Arthur, something I'd like to ask of you and Lee for the next meeting, just a consideration. Is it, when we're talking about

data standards, if we could provide the committee with some information or an overview of how official agencies currently use various platforms to do their certification and just explain how, you know, just explain the differences with some of those platforms and how some agencies use the Federal certification program. I just think it would be helpful for everyone to better understand how the data is coming in.

CHAIR GROVE: Jimmy, are you specifically talking about individual inspector certification process?

MR. WILLIAMS: I'm talking about the actual platform, data platform or software program that they're using to provide the certification. I don't know how many different programs there are, but there's several.

PUBLIC: Can you give an example, because I'm completely in the dark.

MR. GARCIA: Well, okay, so there's a company called AdTracks that some official agencies use to provide their certifications. And, you know, again, they all work a little different but, and Lee

could probably speak to this better than I could, but basically, some of these programs, I mean, they have to be able to interact with the Federal database, correct?

Lee, feel free to come up and help me out a little bit here.

MR. CAPPER: FGIS requires official agencies to provide official certificates to their applicants. FGIS requires official agencies to per our IDW directive, which is 9180 I believe, .16, Inspection Data Warehouse, to provide us with a summary inspection packet that reflects much of the contents of that certificate. Those are our requirements --

MR. GARCIA: Well, it matters what we're certifying, so if we're certifying export, we're using their database. If we're doing domestic, we're using ag tracks or whatever, third party, yeah. And then sending those in for verification, they can be valid or rejected. So, it just matters what we're doing, what the service provider wants. So, the State of Washington does CRT for our export and then AdTracks for the domestic, so --

MR. NEAL: So, what I'm hearing, Jimmy, and I think this should be part of the update that we provide, provide background on kind of what we know that exists out there. Because I think Lee's done extensive research years prior to my coming onboard, when they were looking at the Epic initiative with FGIS, which platform, you know, which platforms exist and how they can be leverage within USDA and currently being used by, you know the official system.

We can provide background on what's been done as we also look forward on how we plan to develop this strategy to consider technology. We've talked about data sharing and things like that, too.

CHAIR GROVE: One last call for the public gallery. As a committee, again, we know we have some time. Good discussion today to give thought on what was want to do here in the future.

You know, Arthur, if you have any closing you'd like to say to the Committee?

MR. NEAL: Well, I think you've all done some great work. I think you've given some thoughtful consideration to some significant issues. You've planted a seed that's going to take some

nurturing, going to take some cultivation, take some fertilizer. And now it's going to take some love and care, so we've got some good work ahead of us. But I'm pleased to be doing it with you, you know. I think next meeting, we'll definitely have new members.

So, before we get together for the next meeting, we'll probably be welcoming them on some type of call, so I look forward to that. But I just want to say thank you all for the way that you've engaged to work, how you've approached it, how you've been open, respectful with one another, contributing.

You know, that's a major deals. So, we're just thankful to have you here serving USDA, the grain industry, the way that you are. We very much appreciate you.

CHAIR GROVE: Thank you. And I do want to echo that. I mentioned to some last night the appreciation that we come from many different sides of the industry and a lot of different experience and that is what makes what we are doing here I think so important because we have the different points of view and we all have the same goal, is that we want

to make this better. We are wanting to make the grain industry better. We are wanting to make trade better.

So, again, I appreciate the ability in a sense we know this is a safe place, a good place for our discussions and everybody has contributed to that with respect and that is an important piece. Because obviously, one of the topics, it can be considered a me against you, us against them, finding fault, and it was about finding fault, it was about better understanding. And that's the importance, better understanding.

I appreciate FGIS in being here and helping us to understand. Sometimes we don't know what's all available to us and what information that we could be getting and asking for and I think that goes a long way and then, you know, we can rectify some of these with understanding.

Thank you again for everything everybody has done today, for being here. Again, it was important that all of you were here. We couldn't have done the work today without everybody having been here. So, I appreciate that and again,

hopefully with new members and working on a new core,

I mean, charter, that will help us not feel a little

bit of that pressure, especially with possible travel

issues that we ran into coming here.

So, again, thank you for everything you've done today and again, any agenda topics, feel free at any time. Again, those present, we welcome those also. Submit those to us. Thank you and have a good and safe day.

(Whereupon, the above-entitled matter went off the record at 9:57 a.m.)